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Navajo President Shelly Vetoes \$155 Million Bond Legislation

WINDOW ROCK, Ariz. – Navajo Nation President Ben Shelly vetoed the \$155 million bond legislation because the language in the legislation needs to be more defined.

“Overall, the bond would benefit our Navajo Nation, but we need to make sure that the language in the legislation reflects the needs of our banking institution. The bonds would help the Navajo Nation, but our plan must be solid,” President Shelly said.

“In order to make Legislation CJN 24-13 sufficient for any financial institution to offer, sell and issue a bond, necessary amendments are required,” President Shelly wrote in a justification memorandum to Navajo Council Speaker Johnny Naize.

President Shelly continued that the language in the legislation needed to be more expressed and defined regarding bond authorization of issuance and sale documents, project qualification language, and for the loan agreement with Navajo Tribal Utility Authority.

President Shelly also indicated “the Navajo Nation would benefit from the bond legislation,” however, the amount should be reduced from \$155 million to \$120 million.

President Shelly also attached a June 12 memorandum from Budget and Finance Committee Chairman LoRenzo Bates stating that the bond legislation needed to have language changes.

“While the 2013 Bond Legislation provides good, general, preliminary authorization for the Bond issue and for the Economic Development and Infrastructure Projects described therein, it does not address a number of critical matters necessary to offer, sell and issue the Bonds and is therefore insufficient to permit the Nation to proceed the issuance of Bonds and the financing of the Projects without either amendments or later action by the Council,” Chairman Bates wrote.

The memorandum was addressed to President Shelly, Speaker Naize and Council Delegate Katherine Benally.

Chairman Bates then writes in detail some of the needed amendments the legislation needed, much of which President Shelly stated in his veto memorandum.

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